

Mattice, Alice

From: Herman.Chris@epamail.epa.gov
Sent: Monday, March 30, 2009 1:30 PM
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Subject: Fw: Key Principles to inform Climate Change Financing:



Climate change
principles.pdf ...



Climate Financing
Fact Sheet.pdf ...



Appendix.pdf (275
KB)

FYI: this letter from the OECD DAC policy coordination division to DAC Environet and the DAC-EPOC Climate Change Adaptation task team addresses the "principles" of the relation between climate finance and development assistance.

Would welcome insights what significance should be attached to the contents or the source of the letter.

----- Forwarded by Chris Herman/DC/USEPA/US on 03/30/2009 01:24 PM -----

From: <Maria.CONSOLATI@oecd.org>
To: <Maria.CONSOLATI@oecd.org>
Date: 03/30/2009 12:52 PM
Subject: Key Principles to inform Climate Change Financing: Letter from Alexandra Trzeciak-Duval and Fact Sheet

To: Members of the DAC Network on Environment and Development Co-operation;
Members of the Joint DAC-EPOC Task Team on Climate Change Adaptation; c.c. DAC Permanent Representatives

Re: Climate Change and Development: Key Principles to Inform Climate Change Financing

Dear colleagues,

The DAC has on numerous occasions urged the Secretariat to find ways to raise awareness amongst officials from both donor and partner countries engaged in climate change negotiations of the principles and commitments of the Paris Declaration on Aid Effectiveness and the Accra Agenda for Action. The objective is to find ways to apply those principles to climate change financing.

However, over the past few months and through participation at various international conferences on the issue of climate change financing and development, it has come to our attention that the Paris Declaration and Accra Agenda for Action may be viewed in the climate change community as a creation of the aid community that represents a form of "conditionality".

At the same time, it is clear that the principles underlying the Paris Declaration and Accra Agenda for action, notably ownership, alignment behind partners countries' own strategies, the need to channel finance through countries' own systems and institutions, the focus on achieving actual results on the ground, as well as the need for capacity development to be demand driven, are considered by members of the climate change community to be highly relevant to climate change financing.

In fact, many of these principles are also embodied in decisions taken under the framework of the UN Framework Convention on Climate Change and Kyoto Protocol. For instance the principles guiding the operation of the "Adaptation Fund" established under the Protocol stipulate that "Projects should be country driven and should clearly be based on needs, views and priorities of eligible Parties, taking into account, inter alia, national sustainable development strategies, poverty reduction strategies, national communications and national adaptation programmes of action and other relevant instruments where they exist". In addition, they also note the need for "sound financial management, including the use of international fiduciary standards". See Decision 5/CMP2 adopted at the Conference of the Parties to the Kyoto Protocol held in Nairobi in 2006.

In particular, there is general, though not unanimous, agreement that new financing emerging from the agreement to be reached in Copenhagen should complement development financing, including ODA, and not lead to a proliferation of parallel systems for the delivery of finance to the various sectoral ministries and agencies which will ultimately be responsible for the implementation of measures to combat and adapt to climate change.

With this in mind, we have prepared a brief note outlining the pertinence of the principles of the Paris Declaration to climate change. We hope that this note can be of use as a reference in the context of your discussions with counterparts responsible for climate change matters in your agencies and in partner countries. Another objective of this note is to ensure that DAC Members have a consistent message rooted in agreed DAC policies, when addressing international conferences in the area of climate change and development.

We hope this note will be of use to you and that you may be able to distribute it in various fora as appropriate. The note includes an appendix summarizing the key facts about the Paris Declaration and Accra Agenda for Action, which you may chose to include or exclude for distribution purposes, depending on the audience. Comments on the note and its utility are most welcome.

With best regards

Yours sincerely.

Alexandra Trzeciak-Duval
Head, Policy Co-ordination Directorate

(See attached file: Climate change principles.pdf) (See attached file: Climate Financing Fact Sheet.pdf) (See attached file: Appendix.pdf)



ORGANISATION FOR ECONOMIC
CO-OPERATION AND DEVELOPMENT

The Head of Division
DEVELOPMENT CO-OPERATION DIRECTORATE
Policy Coordination Division

To: DAC ENVIRONET Members
Members of the Joint DAC-EPOC Task Team on Climate Change Adaptation
c.c. DAC Delegates

Paris, 30 March 2009

Dear colleagues,

The DAC has on numerous occasions urged the Secretariat to find ways to raise awareness amongst officials from both donor and partner countries engaged in climate change negotiations of the principles and commitments of the *Paris Declaration on Aid Effectiveness* and the *Accra Agenda for Action*. The objective is to find ways to apply those principles to climate change financing.

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In particular, there is general, though not unanimous, agreement that new financing emerging from the agreement to be reached in Copenhagen should complement development financing, including ODA, and not lead to a proliferation of parallel systems for the delivery of finance to the various sectoral ministries and agencies which will ultimately be responsible for the implementation of measures to combat and adapt to climate change.

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¹ See Decision 5/CMP2 adopted at the Conference of the Parties to the Kyoto Protocol held in Nairobi in 2006.